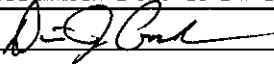




# Bureau of TennCare

## Policy Manual

Policy No: CON 08-001	
Subject: Encounter Data & Direct Fee-for-Service Claims Reporting	
Approval: 	Date: 12/10/2008

### PURPOSE:

The purpose of this policy is to clarify instructions pertaining to the submission of individual encounter/claims data from Managed Care Contractors (MCCs), individual Long Term Care providers, MR Waiver providers and the Department of Children's Services. This policy replaces TSOP 024.

The Bureau of TennCare receives and exchanges data with numerous entities in conducting day to day business operations. Managed Care Organizations, Behavioral Health Organizations, the Pharmacy Benefits Manager and the Dental Benefits Manager are responsible for providing the Bureau with data files that reflect all encounters for which they have paid and denied claims,<sup>1</sup> as well as updates to their provider network files and reconciliations of eligibility files. The Bureau is, in turn, responsible for updating each of these organizations with recipient specific enrollment information as it is received from the Department of Human Services and other update sources.

The Bureau also pays some claims directly for certain services provided to certain enrollees (those in DCS custody, those in Long Term Care facilities, those in Intermediate Care Facilities for the Mentally Retarded (ICFs/MR) and those participating in HCBS waiver programs) and receives claims information directly from these providers/entities. All of these transactions take place over a secure virtual private network (VPN) or other TennCare-approved transmission media.

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<sup>1</sup> Denied encounter claims do not include non-HIPAA compliant transactions.

## POLICY:

Each entity exchanging data with the Bureau must have in place either a contract that outlines specifically what is required with regard to individual encounter/claim data reporting or, in lieu of a contract, a Business Associate agreement which accomplishes the same purpose. Per the Contractors Risk Agreement (Section 4 - Terms and Conditions), the MCCs are responsible for adhering to the policies and operating procedures created by TennCare including information communicated in memorandums and directives issued by TennCare. Information is also found in the MCC Contractor Risk Agreement (CRA) which outlines individual encounter data reporting issues (timeliness, formatting, data elements, etc). Additional detailed TennCare specific information is found in the Companion Guides available on the EDI section of the TennCare website at <http://www.tennessee.gov/tenncare/HIPAA/EDI.htm>.

TennCare also maintains internal Information System policies dealing with the content, structure, sequence, and scheduling of encounter data files sent by the MCCs to TennCare. These policies and related documents are stored on a TennCare network drive and are available on the EDI section of the TennCare website. During the policy development process, policies are distributed to the MCCs for review and comment.

Public Law 104-191, The Health Insurance Portability and Accountability Act (HIPAA) of 1996, as amended, mandated the establishment of standards for information transactions and data elements (Section 1173). Those federal standards plus those that are specific to data exchange with the Bureau of TennCare are contained in the TennCare EDI Companion Guides. Any changes in the requirements at the Federal level are posted in the Companion Guides and trading partners/business associates are notified prior to implementation.

## DEFINITIONS:

***Business Associate.*** A “business associate” is a person or entity that performs certain functions or activities that involve the use or disclosure of protected health information on behalf of, or provides services to, a covered entity.

- . A member of the covered entity’s workforce is not a business associate.
- . A covered health care provider, health plan, or health care clearinghouse can be a business associate of another covered entity. PL104-191, Part C, section 1173.

***Transaction*** means the exchange of information between two parties to carry out financial or administrative activities related to health care. It includes, but is not limited to, the following types of information exchanges:

- (1) Health care claims or equivalent encounter information.
- (2) Health care payment and remittance advice.
- (3) Coordination of benefits.

- (4) Health care claim status.
- (5) Enrollment and disenrollment in a health plan.
- (6) Eligibility for a health plan.
- (7) Health plan premium payments.
- (8) Referral certification and authorization.
- (9) First report of injury.
- (10) Health claims attachments.
- (11) Other transactions that the Secretary may prescribe by regulation. PL104-191, Part C, Section 1173.

**OFFICES OF PRIMARY RESPONSIBILITY:**

TennCare Information Systems  
Office of Network Development

**REFERENCES:**

<http://www.scriptlogic.com/Compliance/Documentation/HIPAA.pdf> (Public Law 104-191, Part C, Section 1173)

<http://www.tennessee.gov/tenncare/forms/mcoriskagreement.pdf> (Contractor Risk Agreement Section (CRA) 2-9.m; 2-10, Section 4 and Attachment XII G)

<http://www.tennessee.gov/tenncare/forms/middletnmco.pdf> (Middle Tennessee CRA 2.22, and 2.27, Section 4)

<http://www.tennessee.gov/tenncare/forms/eastwestmcocontract.pdf> (East/West Tennessee CRA 2.22, and 2.27)

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